

## **ABSTRACT**

A method and system for trading IP bandwidth in an exchange environment.

Participating members of the exchange register their IP route destinations with the exchange. The exchange collects buy and sell orders, which include parameters such as the desired destination, price and quality of the routes. The buy and sell orders are matched based on the specified parameters, and lists of matched orders are forwarded to members' routers for execution of the trades. The exchange settles the executed trades by issuing invoices in accordance with the buyer members' usage of the bandwidth offered by the seller members.